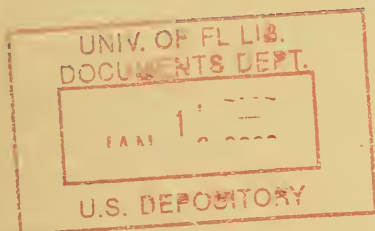


NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION
FOR THE
**SECONDARY STEEL PRODUCTS
WAREHOUSING TRADE**

AS APPROVED ON JULY 10, 1934



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1934

This publication is for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C., and by district offices of the Bureau of Foreign and Domestic Commerce.

DISTRICT OFFICES OF THE DEPARTMENT OF COMMERCE

Atlanta, Ga.: 504 Post Office Building.
Birmingham, Ala.: 257 Federal Building.
Boston, Mass.: 1801 Customhouse.
Buffalo, N.Y.: Chamber of Commerce Building.
Charleston, S.C.: Chamber of Commerce Building.
Chicago, Ill.: Suite 1706, 201 North Wells Street.
Cleveland, Ohio: Chamber of Commerce.
Dallas, Tex.: Chamber of Commerce Building.
Detroit, Mich.: 801 First National Bank Building.
Houston, Tex.: Chamber of Commerce Building.
Indianapolis, Ind.: Chamber of Commerce Building.
Jacksonville, Fla.: Chamber of Commerce Building.
Kansas City, Mo.: 1028 Baltimore Avenue.
Los Angeles, Calif.: 1163 South Broadway.
Louisville, Ky.: 408 Federal Building.
Memphis, Tenn.: 229 Federal Building.
Minneapolis, Minn.: 213 Federal Building.
New Orleans, La.: Room 225-A, Customhouse.
New York, N.Y.: 734 Customhouse.
Norfolk, Va.: 406 East Plume Street.
Philadelphia, Pa.: 422 Commercial Trust Building.
Pittsburgh, Pa.: Chamber of Commerce Building.
Portland, Oreg.: 215 New Post Office Building.
St. Louis, Mo.: 506 Olive Street.
San Francisco, Calif.: 310 Customhouse.
Seattle, Wash.: 809 Federal Office Building.

CODE OF FAIR COMPETITION
FOR THE
SECONDARY STEEL PRODUCTS WAREHOUSING
TRADE

As Approved on July 10, 1934

ORDER

CODE OF FAIR COMPETITION FOR THE SECONDARY STEEL PRODUCTS
WAREHOUSING TRADE

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Secondary Steel Products Warehousing Trade, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved; provided, however, that the provisions of Articles IV, V and VI be and they are hereby stayed for a period of twenty-five (25) days; then to become effective unless I by further Order otherwise direct, within which time cause may be shown, if any there be, why the above provisions should not become effective; and provided further that during the above mentioned period of twenty-five (25) days all members of the Secondary Steel Products Warehousing Trade shall comply with all the terms and provisions of Articles IV, V and VI of the approved Code of Fair Competition for the Wholesaling or Distributing Trade.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

ROBERT L. HOUSTON,
Division Administrator.

WASHINGTON, D.C.,
July 10, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report of the hearing on the Code of Fair Competition for the Secondary Steel Products Warehousing Trade, conducted in the Green Room of the Raleigh Hotel on April 28, 1934. The Code which is attached was presented by duly qualified and authorized representatives of the Trade, complying with the statutory requirements, said to represent 90 per cent in number and about 90 per cent in volume of sales of the Trade which could be included in this Code.

THE TRADE

According to statistics furnished by members of the Secondary Steel Products Warehousing Trade and checked by the Division of Economic Research and Planning, there are at the present time approximately sixty-five (65) concerns engaged in the Trade, with aggregate annual sales of \$35,000,000. The Trade employs about 3,000 persons.

HOURS AND WAGES

The hour and wage provisions of this Code establish a maximum 40 hour work week and a minimum \$15.00 weekly wage.

OTHER PROVISIONS OF THE CODE

The provisions containing definitions are inclusive and accurate.

The administrative provisions of the Code establish a Divisional Code Authority which is fairly and adequately representative of all the different elements in the Trade.

The trade practices proposed are not considered in any way objectionable. They are, with the exception of one provision relating to cash discounts, the same trade practice provisions as are included in the approved Code of Fair Competition for the Wholesaling or Distributing Trade.

FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by

inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible use of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Trade normally employs not more than 50,000 employees and it is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is a trade association truly representative of the aforesaid Trade; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to the approval of this Code.

For these reasons, the Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JULY 10, 1934.

CODE OF FAIR COMPETITION FOR THE SECONDARY STEEL PRODUCTS WAREHOUSING TRADE

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Secondary Steel Products Warehousing Trade, and shall be the standard of fair competition for such Trade, and be binding upon every member thereof.

ARTICLE II—DEFINITIONS

SECTION 1. The term "the Trade", as used herein, shall mean the business of buying and of distributing and/or carrying warehouse stocks of secondary products of rolled, drawn, cold-finished, and/or hammered steel products (such secondary products being known as "seconds", "rejects", and "excess" or "wasters"). This term shall not include a business which is principally that of distributing "prime" materials.

SECTION 2. The term "member of the Trade" as used herein shall include any individual, partnership, association, corporation or other form of enterprise engaged in the Trade, either as an employer or on his or its own behalf.

SECTION 3. The term "Association" as used herein shall mean the National Association of Distributors of Secondary Steel Products.

SECTION 4. The term "Executive Committee" as used herein shall mean the Executive Committee of the Association.

SECTION 5. The term "chapter" as used herein, shall mean a local or regional chapter of the Association.

SECTION 6. The term "employee" as used herein shall mean anyone engaged in the Trade in any capacity receiving compensation for his services irrespective of the nature or method of payment of such compensation, except a member of the Trade.

SECTION 7. The term "employer" as used herein shall mean anyone by whom such employee is compensated or employed.

SECTION 8. The terms "President", "Act", "Administrator", as used herein shall mean respectively the President of the United States, Title I of the National Industrial Recovery Act and the Administrator for Industrial Recovery.

ARTICLE III—ADMINISTRATION

SECTION 1. For the purpose of administering this Code the Trade shall be divided into five (5) districts, which districts shall be known as the Chicago, Detroit, Cleveland, Youngstown and New York districts.

The Chicago District shall consist of the states of Wisconsin, Illinois, Indiana, Louisiana and all states west of the Mississippi River.

The Detroit District shall consist of the state of Michigan.

The Cleveland District shall consist of the state of Ohio, (except the cities of Warren, Niles and Youngstown) and all states east of the Mississippi River and south of Illinois, Indiana, Ohio, Pennsylvania, Maryland and Delaware.

The Youngstown District shall consist of the cities of Warren, Niles and Youngstown, Ohio, and Pittsburgh, Pennsylvania.

The New York District shall consist of the states of New York, New Jersey, Delaware, Maryland, Rhode Island, Connecticut, Maine, New Hampshire, Massachusetts, Vermont and the state of Pennsylvania excepting the city of Pittsburgh.

SECTION 2. (a) A Code Authority of eight (8) members to cooperate with the Administrator in the administration of the provisions of this Code is hereby established, said members of the Code Authority to be elected as hereinafter provided under the supervision of the Executive Committee. The Administrator may appoint not more than three (3) members without vote to serve for such time as the Administrator may designate.

(b) There shall be one (1) member of the Code Authority for each of the five (5) districts established in Section 1 of this Article III, two (2) members elected at large, and one (1) member to be appointed by the Administrator representing members of the Trade not members of the Association.

(c) The Executive Committee shall nominate two (2) candidates from each of the five (5) districts established in Section 1 of this Article and four (4) candidates at large.

(d) The Executive Committee shall mail ballots containing the names of these candidates to all members of the Trade discoverable by diligent search. These ballots shall contain blank spaces in which voters may write their choices.

(e) Each voter shall cast his ballot for one (1) candidate from his district and for two (2) candidates at large.

(f) Fifteen (15) days after these ballots have been sent out the Executive Committee shall publicly count the votes in its possession. The candidate in each district and the two candidates at large receiving the largest number of votes, shall be declared elected.

(g) The Executive Committee shall certify to the Administrator the method of conducting this election and the results thereof.

SECTION 3. Subject to such rules and regulations as may be issued by the Administrator, the Code Authority shall have the following powers and duties:

(a) To organize, elect officers, hire necessary employees, appoint agents, and perform such other acts as may be necessary for the proper administration of this Code.

(b) To appoint a Trade Practice Committee, which shall meet with the Trade Practice Committees appointed under such other Codes as may be related to the Trade, for the purpose of formulating Fair Trade Practices to govern the relationships between production and distribution employers under this Code and under such others, to the end that such Fair Trade Practices may be proposed to the Administrator as amendments to this Code and such other Codes.

(c) To adopt by-laws and rules and regulations for its procedure.

(d) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for

herein; provided however that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(c) To recommend to the Administrator any action or measures deemed advisable, including further fair trade practice provisions to govern members of the Trade in their relations with each other or with other trades, measures for industrial planning, and stabilization of employment; and including modifications of this Code which shall become effective as part hereof upon approval by the Administrator after such notice and hearing as he may specify.

(f) To obtain from members of the Trade such information and reports as are required for the administration of the Code. In addition to information required to be submitted to the Code Authority, members of the Trade subject to this Code shall furnish such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act to such federal and state agencies as he may designate: provided that nothing in this Code shall relieve any member of the Trade of any existing obligations to furnish reports to any governmental agency. No individual report shall be disclosed to any other member of the Trade or any other party except to such other governmental agencies as may be directed by the Administrator.

SECTION 4. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose, nor shall any member or members of the Code Authority be liable in any manner to any one for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable, to anyone for any action or omission to act under this Code, except for his own willful misfeasance or nonfeasance.

SECTION 5. If the Administrator shall determine that any action of the Code Authority or any agency thereof, may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and for further consideration by such Code Authority or agency, pending final action, which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

SECTION 6. In order to assist in making effective the reports from the Trade and in eliminating unfair competition, the Code Authority shall, within two weeks after the effective date of the Code, appoint a committee (so constituted as to give producer, consumer, and governmental representation satisfactory to the Administrator) to make a study with a view to the establishment of classifications and standards of definitions of each class of staple products of the Trade wherever such standards are deemed feasible. The findings and recommendations of this committee shall, within three (3) months, be submitted to the Administrator, and after such hearings and investigations as he may designate, and upon approval by him, shall be made a part of this Code and be binding upon every member of the Trade.

SECTION 7. (a) It being found necessary in order to support the administration of this Code and to maintain the standards of fair competition established hereunder and to effectuate the policy of the Act, the Code Authority is authorized:

(1) To incur such reasonable obligations as are necessary and proper for the foregoing purposes, and to meet such obligations out of funds which may be raised as hereinafter provided and which shall be held in trust for the purposes of the Code;

(2) To submit to the Administrator for his approval, subject to such notice and opportunity to be heard as he may deem necessary (1) an itemized budget of its estimated expenses for the foregoing purposes, and (2) an equitable basis upon which the funds necessary to support such budget shall be contributed by members of the Trade;

(3) After such budget and basis of contribution have been approved by the Administrator to determine and obtain equitable contribution as above set forth by all members of the Trade, and to that end, if necessary, to institute legal proceedings therefor in its own name.

(b) Each member of the Trade shall pay his or its equitable contribution to the expenses of the maintenance of the Code Authority, determined as hereinabove provided, and subject to rules and regulations pertaining thereto issued by the Administrator. Only members of the Trade complying with the Code and contributing to the expenses of its administration as hereinabove provided, unless duly exempted from making such contribution, shall be entitled to participate in the selection of members of the Code Authority or to receive the benefits of any of its voluntary activities or to make use of any emblem or insignia of the National Recovery Administration.

(c) The Code Authority shall neither incur nor pay any obligation in excess of the amount thereof as estimated in its approved budget, except upon approval of the Administrator; and no subsequent budget shall contain any deficiency item for expenditures in excess of prior budget estimates except those which the Administrator shall have so approved.

SECTION 8. (a) There is hereby created an Industrial Relations Committee to be composed of three (3) persons who shall be selected as follows:

(1) A representative of the employers to be appointed by the Code Authority.

(2) A representative of the employees to be nominated by a truly representative employee organization. If no truly representative labor organization exists the employee member of such Committee may be nominated by the Labor Advisory Board of the National Recovery Administration and appointed by the Administrator.

(3) An impartial chairman to be selected by the two (2) members already appointed or, in case they disagree, by the Administrator.

(b) The members of this Committee shall hold office for six (6) months from the date of their appointments, and re-appointments shall be made and vacancies shall be filled in the same manner as provided in paragraph (a) of this Section 8.

(c) This Industrial Relations Committee shall have the duty of dealing with complaints and disputes relating to labor in accordance with rules and regulations issued by the Administrator.

SECTION 9. Each trade association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purpose of the Act.

SECTION 10. In order that the Code Authority shall at all times be truly representative of the Trade and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and, thereafter, if he shall find that the Code Authority is not truly representative or does not in any other respect comply with the provisions of the Act, may request an appropriate modification in the method of selection of any such Code Authority.

ARTICLE IV—HOURS ¹

SECTION 1. *Maximum Hours and Exemptions.*—(a) No member of the Trade shall cause or permit any employee except an employee in an executive, supervisory, technical or professional capacity, who receives a salary or a guaranteed minimum of thirty-five (\$35.00) dollars per week or more, to work more than eight (8) hours in any one day, or more than forty (40) hours in any seven (7) day period, or more than six (6) days in any seven (7) day period, except as hereinafter specified:

(b) No watchman shall work more than nine (9) hours in any one day or more than fifty-four (54) hours in any seven (7) day period or more than six (6) days in any seven (7) day period.

(c) No outside delivery man, maintenance man, outside repair service man or installation man shall work more than forty-eight (48) hours in any seven (7) day period or more than six (6) days in any seven (7) day period.

(d) An employer may work an employee in excess of the hours specified in paragraphs (a), (b), and (c) of this Section, if time and one-third is paid for all such additional hours; provided, however, that in no case shall any employee work more than eight (8) hours per week in excess of his regular hours as specified in paragraphs (a), (b), and (c); and provided further that such eight (8) hours per week overtime be limited to any twelve (12) weeks in any twelve (12) months' period.

(e) The hours worked by any one employee in any one day shall be consecutive with the exception of a period of not more than one (1) hour out for lunch.

SECTION 2. No employer shall knowingly permit any employee to work for any time which, when totaled with that already performed with another employer or employers in this or any other Trade, exceeds the maximum permitted herein.

ARTICLE V—WAGES ¹

SECTION 1. (a) No employee shall be paid less than at the rate of fifteen (\$15.00) dollars per week of forty (40) hours.

¹ See paragraph 2 of order approving this Code.

(b) A part time employee or one paid on an hourly basis shall be paid not less than forty cents (40¢) per hour.

(c) This Article establishes a minimum rate of compensation which shall apply irrespective of whether an employee is actually compensated on a time rate, piece work, commission or other basis.

(d) Female employees performing substantially the same work as male employees shall have the same rate of pay as such male employees.

(e) Wages shall be paid weekly or semimonthly in lawful money or by negotiable checks.

SECTION 2. No hourly, daily or full-time weekly compensation for employees who are paid less than fifty dollars (\$50.00) per week shall be less than such compensation existing as of June 16, 1933, and no employee shall be paid a wage rate which will yield a less wage for the shorter full-time week herein established than he could have earned for the same class of work for the longer full-time week existing as of June 16, 1933. Wage increases established under the President's Reemployment Agreement shall at least be maintained.

ARTICLE VI—GENERAL LABOR PROVISIONS ¹

SECTION 1. *Minimum Age Requirements.*—No person under eighteen years of age shall be employed in the Trade except in clerical or office work or as a messenger.

No person under sixteen years of age shall be employed in the Trade in any capacity.

In any State any employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly signed by the authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

SECTION 2. No employer shall reclassify employees or duties of occupations performed or engaged in any other subterfuge so as to defeat the purposes or provisions of the Act or of this Code.

SECTION 3. Each employer shall post in conspicuous places, accessible to employees, full copies of the labor provisions of this Code.

SECTION 4. No employees shall be dismissed or demoted by reason of making a complaint or giving evidence with respect to an alleged violation of this Code.

SECTION 5. Every employer shall make reasonable provisions for the safety and health of his employees at the place and during the hours of their employment. Standards of safety and health shall be submitted by the Code Authority to the Administrator within three months after the effective date of this Code.

SECTION 6. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

¹ See paragraph 2 of order approving this Code.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing, and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

SECTION 7. No provision in this Code shall supersede any State or Federal law which imposes on employers more stringent requirements as to age of employees, wages, hours of work, safety, health, sanitary or general working conditions, and/or insurance or fire protection, than are imposed by this Code.

ARTICLE VII—TRADE PRACTICES

SECTION 1. Regular terms shall be thirty (30) days net less one half of 1% cash discount if paid within ten (10) days or twice per month. Any deviation from these recognized terms including the permitting of customers to take unearned discounts for cash or discounts for cash in excess of the foregoing shall be deemed an unfair trade practice, and is prohibited.

SECTION 2. *Inaccurate Advertising.*—No member of the Trade shall publish advertising (whether printed, radio, display, or of any other nature), which is misleading or inaccurate in any material particular, nor shall any member in any way misrepresent any goods (including, but without limitation, its use, trade-mark, grade, quality, quantity, origin, size, substance, character, nature, finish, material, content or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

SECTION 3. *False Billing.*—No member of the Trade shall knowingly withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

SECTION 4. *Inaccurate Labelling.*—No member of the Trade shall brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation of such goods.

SECTION 5. *Inaccurate References to Competitors, etc.*—No member of the Trade shall publish advertising which refers inaccurately in any material particular to any competitors or their goods, prices, values, credit terms, policies, or services.

SECTION 6. *Threats of Law Suits.*—No member of the Trade shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to or have the effect of harassing competitors or intimidating their customers. Failure to prosecute in due course shall be evidence that any such threat is unwarranted or unjustified.

SECTION 7. *Secret Rebates.*—No member of the Trade shall secretly and directly offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount, or excess allowance, whether in the form of money or otherwise, nor shall a member of the Trade secretly offer or extend to any customer any special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

SECTION 8. *Bribing Employees.*—No member of the Trade shall give, permit to be given, or directly offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal, or party.

Commercial bribery provisions shall not be construed to prohibit free and general distribution of articles commonly used for advertising except as far as such articles are actually used for commercial bribery as hereinabove defined.

SECTION 9. *Interference with Another's Contracts.*—No member of the Trade shall attempt to induce the breach of an existing contract between a competitor and his customer or source of supply; nor shall any such wholesaler interfere with or obstruct the performance of such contractual duties or services.

SECTION 10. *Coercion.*—No member of the Trade shall require that the purchase or lease of any goods be a prerequisite to the purchase or lease of any other goods.

ARTICLE VIII—POWER OF PRESIDENT TO MODIFY

This Code and all the provisions thereof are expressly made subject to the right of the President in accordance with the provisions of Subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act.

ARTICLE IX—MONOPOLIES

No provision in this Code shall be so applied as to permit monopolies or monopolistic practices or to eliminate, oppress or discriminate against small enterprises.

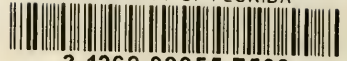
ARTICLE X—EFFECTIVE DATE

This Code shall become effective on the second Monday after its approval.

Approved Code No. 478.
Registry No. 1118—17.



UNIVERSITY OF FLORIDA



3 1262 08855 7508